



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES

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CONTACT:
MICHELLE MOWERY JOHNSON
(615) 313-4707 / OFFICE

TAX SEASON A BIG BOOST TO CHILD SUPPORT COLLECTIONS *STATE CLAIMS MILLIONS OF DOLLARS FROM PARENTS WHO WON'T PAY*

NASHVILLE, Tenn.— The federal Income Tax Refund Offset program is paying off for thousands of Tennessee children. The state Department of Human Services has intercepted more than 24,000 tax refunds totaling \$33.25 million so far this year. DHS works with the Internal Revenue Service to intercept tax refunds from parents who owe but are not paying their child support. Any parent who owes more than \$500 on his or her child support case is subject to the federal Income Tax Refund Offset program.

“IRS intercept is just one of many tools DHS can use to help children who have been waiting months, and sometimes years, for their court-ordered support,” said Human Services Commissioner Gina Lodge. “Families are struggling every day. This program is a way to ensure that parents who can pay, but don’t, aren’t rewarded with a substantial refund this time of year.”

The number of tax refunds and the amount of money the state is intercepting has more than doubled in just three years—up from \$15.7 million in 2006 to \$33.25 million so far this year. While the average intercepted check amount is \$1,400, the state has claimed refunds as high as \$13,600. The program has been in effect since 1981.

By far, the most successful tool to collect child support is through wage assignment, or “garnishment” of a parent’s paycheck. Other enforcement tools include license revocation, which generates more than \$10 million every year. Parents who owe more than \$500 and are 90 days overdue in their support payments are subject to losing their hunting and fishing, professional or drivers’ licenses. DHS also collects thousands of dollars every year in lottery winnings. So far this year, nearly \$60,000 has been collected from parents who are playing the games, but not paying their support. The largest payout so far this year is \$12,350.

Despite the troubled economy, the Department of Human Services continues to see increases in its child support collections overall. More than \$407 million in child support has been collected so far this state fiscal year. That’s a six percent increase over the same period last year. There are currently 284,600 child support cases under order in Tennessee.

For more information on the Tennessee Child Support Program, visit:

http://www.state.tn.us/humanserv/cs/cs_main.html

For more information on Federal Offset Programs, visit:

<http://www.acf.hhs.gov/programs/cse/newhire/fop/fop.htm>

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CITIZENS PLAZA, 15TH FLOOR
400 DEADERICK STREET
NASHVILLE, TN 37248
615.313.4700